BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 95-991-C - ORDER NO. 95-1475

AUGUST 25, 1995

IN RE: Request of Farmers Telephone Cooperative,
Inc. for Approval of a Change of its Depreciation Rate for data processing equipment
DEPRECIATION
RATE

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of Farmers Telephone Cooperative, Inc. (Farmers or the Company) for approval of a change of its depreciation rate for data processing equipment — personal computers. The Applicant seeks the approval of a depreciation rate of 25% for this category of plant and states that this change will not significantly impact the Cooperative's rate of return.

By letter of the Commission's Executive Director, Farmers was ordered to publish, one time, in newspapers of general circulation, a Notice of Filing on this matter. The Company filed affidavits showing that they had cooperated with the request of the Commission's Executive Director. No Protests or Petitions to Intervene were filed in this matter.

The Commission has examined the request of Farmers and notes that the presently approved rate is 14.3%. We believe that a 25%

depreciation rate for data processing equipment - personal computers is most appropriate, and is in line with depreciation rates of such equipment seen with other companies. Also, the Commission notes that the new depreciation rate does not affect the Cooperative's rate of return. We therefore believe that the request to increase the depreciation rate of 25% for data processing equipment - personal computers by Farmers should be granted.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Rudolf Mittell Chairman

ATTEST:

(SEAL)